

EMAG NEWS RELEASE:

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“Sir John Chadwick’s report is a shocker, cynically designed to soften up expectations.”

EMAG believes the reason that “The Chadwick Process” was allowed to run its course against obsolete and entirely inappropriate terms of reference carried over unchanged from the last Labour Government was as a Treasury ploy to talk down expectations. Today’s shocking news will incense policyholders, who expected better.

Chadwick’s terms of reference were based on the previous Government’s limited acceptance of the Ombudsman’s findings.

Ann Abraham (the PO) said this approach could not lead to justice. This report from Sir John Chadwick has not incorporated ALL of the Ombudsman’s findings nor taken them together as instructed by the Ombudsman. It also starts one year later than instructed by the Court, in September 1992, which further skews the figures unfairly.

Through a series of arguments Sir John says relative losses admitted to be between £4bn and £4.8bn (EMAG always said around £4.7bn) should be reduced to final losses of £400m - £500m. One pound in ten is not just or fair compensation.

Paul Braithwaite of EMAG said:

That Sir John puts his finger in the wind and says we shouldn’t get more than 25% of “aggregated external relative loss” (whatever that means) because we would all have continued to heap our retirement savings in even if we had known the true state of Equitable Life is utterly risible. Chadwick’s report should never have been allowed to take centre stage after the Coalition made a commitment to fair treatment.

EMAG maintains it has every good reason not to trust the Treasury

after a nine-year history of what it describes as the Treasury's "consistent stitching up of Equitable Life policyholders". One can understand EMAG's extreme chagrin today when deluged today with 2,500 pages of new actuarial detail from the Treasury's carefully chosen advisors.

Paul Braithwaite added:

"The Coalition promised us swift, transparent and fair: One out of three is not good enough. Today's treatment wasn't fair nor is the implementation proposed swift. We will encourage policyholders to continue their dialogues with newly-elected MPs and trust in their sincerity to deliver on personal pledges of proper and fair compensation for the relative losses arising from ALL the PO's findings taken together, as she intended."

EMAG's will help the new Commission expedite payouts and will argue for early payments this year to the remaining 47,000 with-profits annuitants on compassionate grounds. EMAG's fight will continue remorselessly through the summer.

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